



**HOUSING AUTHORITY  
of the County of Los Angeles**

Administrative Office

2 Coral Circle • Monterey Park, CA 91755  
323.890.7001 • TTY: 323.838.7449 • [www.lacdc.org](http://www.lacdc.org)



**Gloria Molina**  
**Yvonne Brathwaite Burke**  
**Zev Yaroslavsky**  
**Don Knabe**  
**Michael D. Antonovich**  
*Commissioners*

**Carlos Jackson**  
*Executive Director*

August 9, 2005

Honorable Board of Commissioners  
Housing Authority of the  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Commissioners:

**AMENDMENT NO. 1 TO CONSTRUCTION CONTRACT FOR SITE AND DWELLING  
STRUCTURE IMPROVEMENTS AT THE WEST 107<sup>TH</sup> STREET FAMILY HOUSING  
DEVELOPMENT (2)  
(3 Vote)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Find that Amendment No. 1 to the Construction Contract between the Housing Authority and M.L. Construction for site and dwelling structure improvements at the West 107<sup>th</sup> Street family housing development, located at 1320 West 107<sup>th</sup> Street, in unincorporated Los Angeles County, is exempt from the California Environmental Quality Act (CEQA), as described herein, because the additional work involved includes activities that will not have the potential for causing a significant effect on the environment.
2. Approve and authorize the Executive Director of the Housing Authority to execute Amendment No. 1 to the Construction Contract between the Housing Authority and M.L. Construction, and all related documents, to increase the compensation amount by \$150,000, from \$650,283 to \$800,283, to provide additional scope of work due to the discovery of mold during construction.
3. Authorize the Executive Director to use a total of \$150,000 in Capital Fund Program funds allocated by the U.S. Department of Housing and Urban Development (HUD), for the purpose described above.



4. Authorize the Executive Director to approve an increase in contingency funds of up to \$30,000 for unforeseen project costs, from \$130,056 to \$160,056 using Capital Fund Program funds.
5. Authorize the Executive Director to incorporate all Capital Fund Program funds into the Fiscal Year 2005-2006 Capital budget.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:**

The purpose of this action is to amend the Construction Contract with M.L. Construction to provide additional scope of work due to the discovery of mold during the site and dwelling structure improvements of the West 107<sup>th</sup> Street family housing development.

**FISCAL IMPACT/FINANCING:**

There is no impact on the County general fund. The Housing Authority will fund the additional work with \$150,000 in Capital Fund Program funds allocated by HUD. This will increase the contract amount from \$650,283 to \$800,283 and the total will be incorporated into the Fiscal Year 2005-2006 Capital budget.

A 20 percent contingency, in the amount of \$30,000, is also being set aside for unforeseen costs related to the additional work, using Capital Fund Program funds. This will increase the total contingency amount from \$130,056 to \$160,056 and the total will be incorporated into the Fiscal Year 2005-2006 Capital budget.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS:**

The West 107<sup>th</sup> Street family housing development consists of a total of 18 units, comprised of seven four-bedroom, nine three-bedroom, and two two-bedroom public housing units. On January 11, 2005, your Board approved the award of a Construction Contract to M.L. Construction to complete the following improvements in all units: abate asbestos-containing acoustical ceilings and vinyl composition tile flooring; replace sub flooring on the second floor; remodel all kitchens and bathrooms, including replacement of cabinetry and plumbing fixtures; paint the exterior of the buildings; and landscape the site.

Amendment No. 1 to the Construction Contract will provide additional funding for needed mitigation of interior and exterior mold present in 16 of the units including: the removal and replacement of drywall and stucco; roof repairs; and drainage improvements to the courtyard area. This additional work was not included in the original scope of work.

Amendment No. 1 to the Construction Contract has been approved as to form by County Counsel and executed by M.L. Construction. At its meeting of July 27, 2005, the Housing Commission recommended approval of this action.

**ENVIRONMENTAL DOCUMENTATION:**

The additional work included in Amendment No. 1 to the Construction Contract is excluded from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations Part 58 (a)(3)(ii) because it involves activities that will not alter existing environmental conditions. The work is exempt from CEQA, pursuant to State CEQA Guidelines 15301, because it involves negligible or no expansion of use beyond what currently exists and does not have the potential for causing a significant effect on the environment.

The environmental review record for this project is available for viewing by the public during regular business hours at the Housing Authority's main office located at 2 Coral Circle, Monterey Park.

**IMPACT ON CURRENT PROJECT:**

Amendment No.1 to the Construction Contract will provide for needed mold mitigation and enable M.L. Construction to meet the development and construction schedule for the ongoing project.

Respectfully submitted,

CARLOS JACKSON  
Executive Director

Attachment: 1



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**AMENDMENT NO. 1 TO THE CONSTRUCTION CONTRACT**

This Amendment No. 1 to the Construction Contract entered into on January 11<sup>th</sup>, 2005 by and between the Housing Authority of the County of Los Angeles, hereinafter called "Housing Authority", and M.L. Construction, hereinafter called "Contractor" to provide to site and dwelling structure improvements in the amount of \$650,283 for the 107<sup>th</sup> Housing Development, located at 1320 West 107<sup>th</sup> Street, Los Angeles, CA, is amended as follows:

**A. ADDITIONAL SERVICES**

The Contractor shall provide additional scope of work relating to: the removal and replacement of new wood framing, drywall and stucco; roof repairs; and grading and drainage improvements to the courtyard area, due to the presence and extent of microbes (mold), and the source of the mold in 16 units. This is additional work, was unforeseen and therefore, the costs were not included in the original project scope.

**B. COMPENSATION**

The Contractor shall be paid as full compensation for the above additional services, the maximum not-to-exceed price of \$150,000. The new Contract amount, including this Amendment is \$800,283.

C. All other terms and provisions of the Construction Contract shall apply and remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 1 to the Construction Contract to be signed by their duly authorized officers.

HOUSING AUTHORITY OF THE  
COUNTY OF LOS ANGELES

M.L. CONSTRUCTION

By \_\_\_\_\_  
CARLOS JACKSON  
Executive Director

By Michael Leshinsky  
MICHAEL LESHINSKY  
Owner

Date: \_\_\_\_\_

Date: 07-14-05

Approved as to form:  
RAYMOND G. FORNTER, JR.  
County Counsel

Approved as to program:

By Paul T. Hanson  
Deputy

By Maria Badrakhan  
MARIA BADRAKHAN  
Contracting Officer

Date: 7/15/05

Date: 7/14/05